

Yukon Business Survey
2003

Yukon Business Survey 2003

In the spring of 2003, a business survey was conducted by the Yukon Bureau of Statistics to determine types and locations of Yukon businesses, levels of gross revenue, internet usage and whether these businesses are home-based. This survey is conducted annually subject to available funding. Historical data is currently being compiled and will be published at a future date. The following information was derived from this survey.

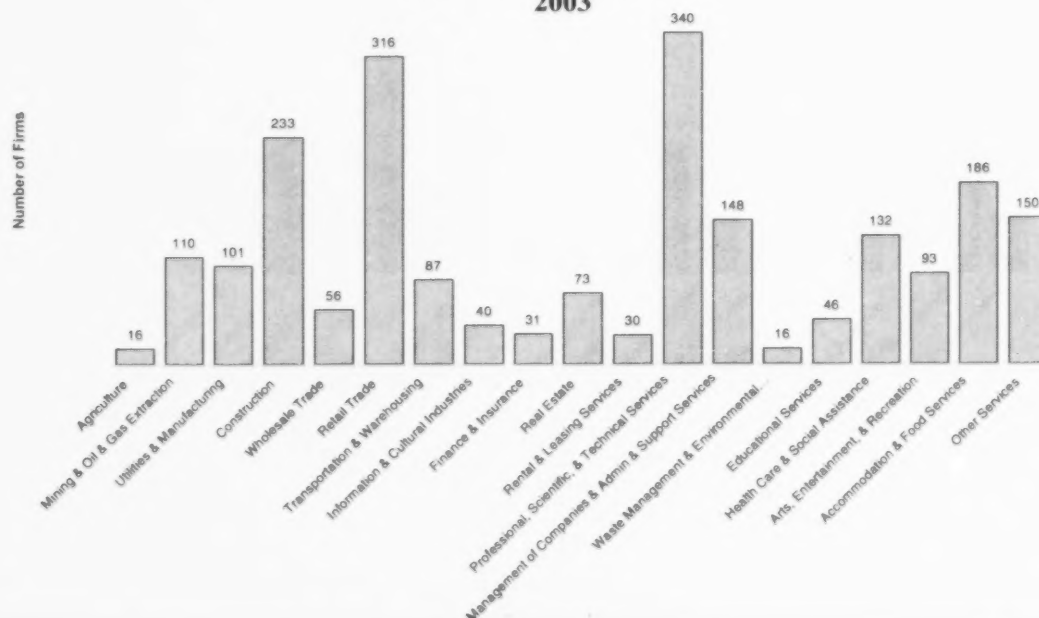
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Yukon Businesses by Industrial Classification (NAICS)

In 2003, in terms of number of businesses, the top five sectors made up over half of the total number of businesses. The Professional, Scientific, and Technical Services sector was the largest, making up of 15% of Yukon businesses. Retail trade followed at 14%, while Construction accounted for 11% of Yukon businesses. Accommodation and Food Services made up 8% of the total while Management of Companies & Administrative and Support Services rounded out the top 5, at 7%. In 2001, the Retail Trade sector had the highest number of businesses, making up 14% of the total number.

	Number of firms	
	2001	2003
Agriculture	18	16
Mining & Oil & Gas Extraction	124	110
Utilities & Manufacturing	94	101
Construction	225	233
Wholesale Trade	37	56
Retail Trade	303	316
Transportation & Warehousing	102	87
Information & Cultural Industries	46	40
Finance & Insurance	33	31
Real Estate	68	73
Rental & Leasing Services	37	30
Professional, Scientific, & Technical Services	290	340
Management of Companies & Admin & Support Services	157	148
Waste Management & Environmental...	13	16
Educational Services	42	46
Health Care & Social Assistance	120	132
Arts, Entertainment, & Recreation	102	93
Accommodation & Food Services	179	186
Other Services	178	150
Total	2,168	2,204

Types of Yukon Businesses, 2003



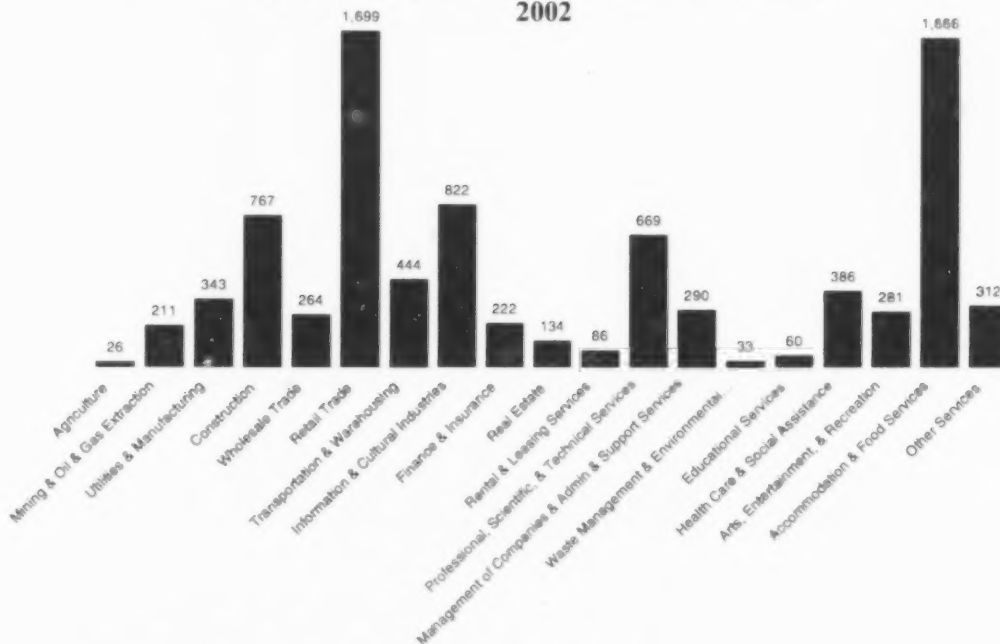
Number of Yukon Firms and Employees

The Retail Trade sector had the greatest number of employees at 1,699 or 19.5% of the private sector workers. Accommodation and Food Services had the second largest number of employees at 1,666 or 19.1% of the total private sector. These two sectors combined, make up 38.6% of the private sector workforce.

Business Type	No. of firms	No. firms responding to this question	Total no. employees reported*
Agriculture	16	16	26
Mining & Oil & Gas Extraction	110	108	211
Utilities & Manufacturing	101	90	343
Construction	233	221	767
Wholesale Trade	56	56	264
Retail Trade	316	285	1,699
Transportation & Warehousing	87	78	444
Information & Cultural Industries	40	36	822
Finance & Insurance	31	31	222
Real Estate	73	69	134
Rental & Leasing Services	30	26	86
Professional, Scientific, & Technical Services	340	330	669
Management of Companies & Admin & Support Services	148	142	290
Waste Management & Environmental...	16	15	33
Educational Services	46	46	60
Health Care & Social Assistance	132	127	386
Arts, Entertainment, & Recreation	93	90	281
Accommodation & Food Services	186	167	1,666
Other Services	150	143	312
Total	2,204	2,076	8,715

* Based on the number of employees for 2002

Total Number of Employees by Business Sector*
2002



*Note: based on the businesses who responded to this question

Location of Yukon Businesses' Headquarters

In 2003, there were a total of 2,204 businesses operating in the Yukon. Of these, 1,654 or 75.0% were based in Whitehorse. Dawson had the second largest number of businesses at 160 or 7.3% of the total number of businesses. Watson Lake had a total of 98 businesses. All other communities had less than 60 businesses.

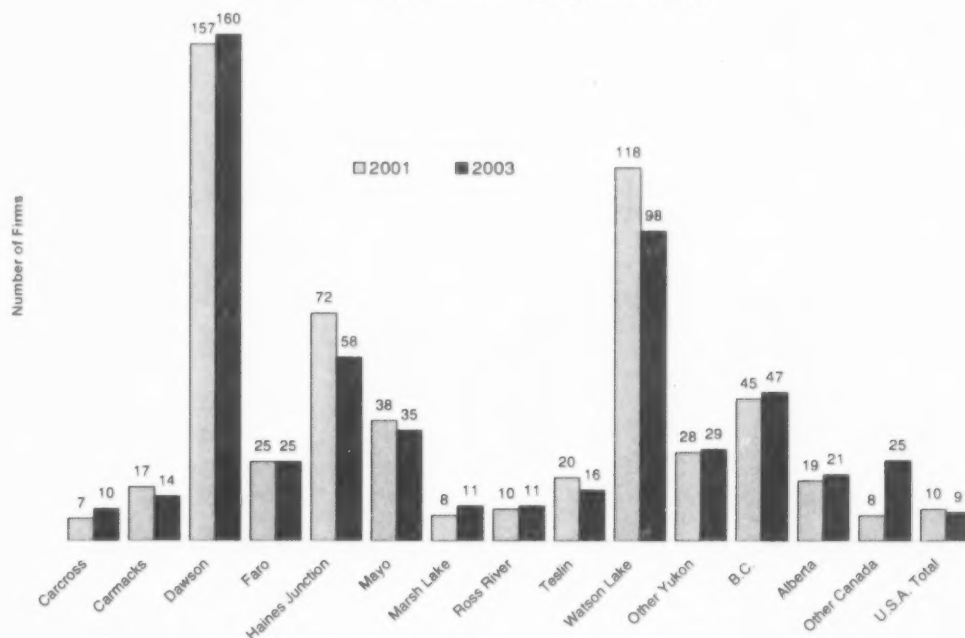
There were also 74 businesses operating in the Yukon with headquarters in other provinces or territories in Canada. Of these, the majority were from British Columbia and Alberta, with 47 and 21 firms respectively.

There were also 9 businesses operating in the Yukon with headquarters in the United States.

	No. firms	No. firms reporting	Total no. employees reported
Carcross	10	10	26
Carmacks	14	12	47
Dawson	160	147	564
Faro	25	24	43
Haines Junction	58	56	106
Mayo	35	33	57
Marsh Lake	11	10	13
Ross River	11	9	35
Teslin	16	15	40
Watson Lake	98	96	302
Whitehorse	1,654	1,556	7,302
Other Yukon	29	28	95
Yukon Total	2,121	1,996	8,630
B.C.	47	45	52
Alberta	21	21	23
Other Canada	25	24	24
Canada Total	74	70	79
U.S.A. Total	9	9	5
Grand Total	2,204	2,075	8,714

Location of Yukon Businesses' Headquarters 2001 and 2003

(Not including Whitehorse, which had
1,586 in 2001 and 1,654 in 2003)



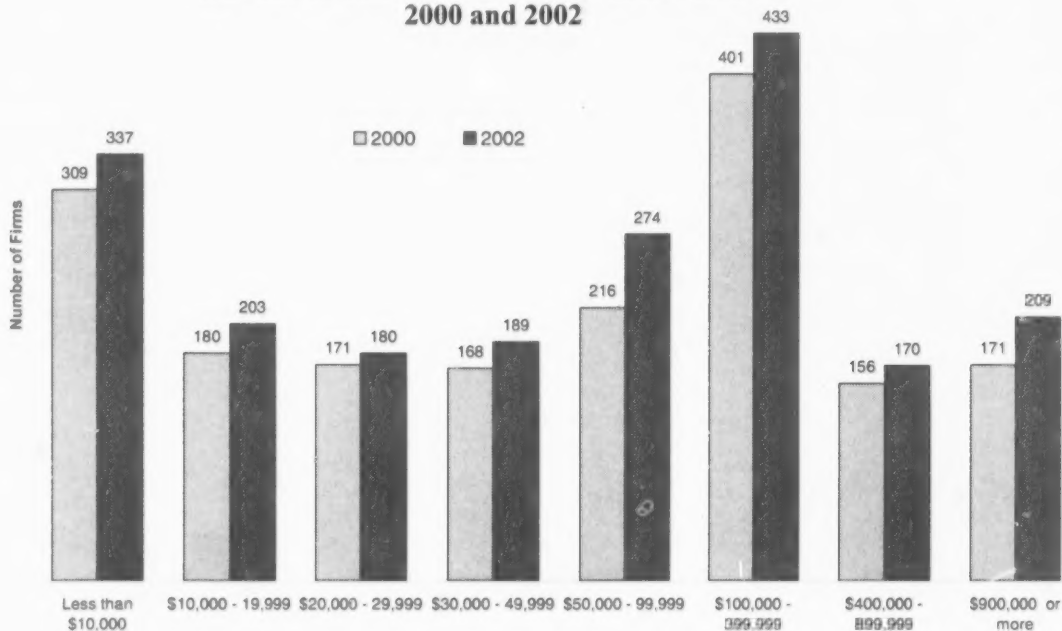
Gross Revenues of Yukon Businesses, 2002

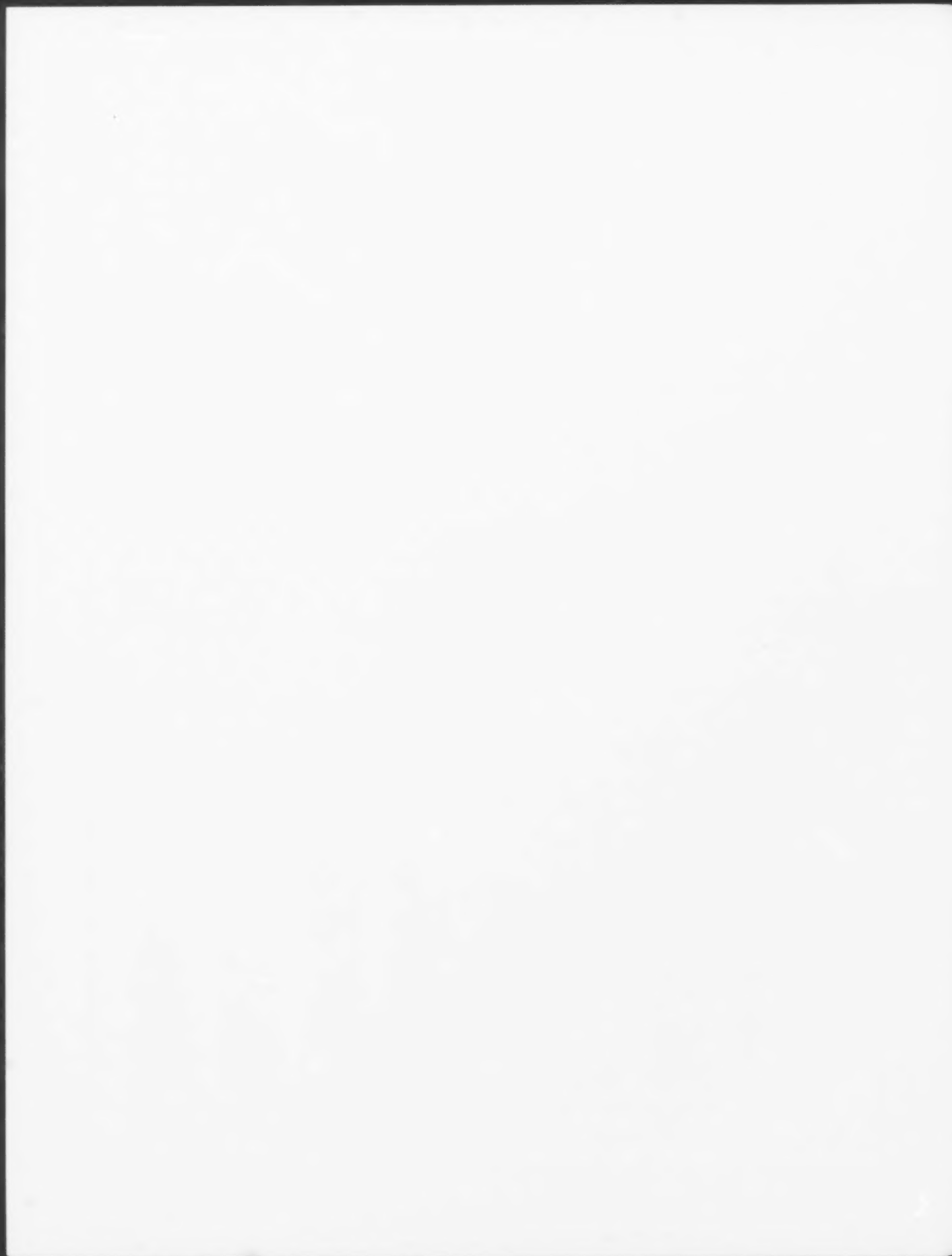
	Less than \$10,000	\$10,000 - 19,999	\$20,000 - 29,999	\$30,000 - 49,999	\$50,000 - 99,999	\$100,000 - 399,999	\$400,000 - 899,999	\$900,000 or more	Total
Agriculture, Forestry, Fishing, Hunting	..	..	..	4	..	..	..	..	15
Mining & Oil & Gas Extraction	40	4	5	5	10	20	6	9	99
Utilities; Manufacturing	22	12	7	7	13	12	9	9	91
Construction	13	10	23	25	41	61	23	22	218
Wholesale Trade	7	..	6	..	6	6	..	19	52
Retail Trade	45	12	13	12	22	63	44	68	279
Transportation & Warehousing	6	5	..	5	9	24	6	15	73
Information & Cultural Industries	7	6	4	..	..	8	..	5	35
Finance & Insurance	..	..	..	..	4	7	7	5	24
Real Estate	7	8	6	..	15	21	5	..	67
Rental & Leasing Services	..	4	..	..	4	8	..	..	23
Professional, Scientific, & Technical Services	60	48	27	43	49	60	24	15	326
Management of Companies & Enterprises; Administrative & Support Services	26	21	23	13	20	23	5	4	135
Waste Management & Environmental Remediation Services	..	..	..	..	..	4	..	..	12
Educational Services	14	13	..	5	5	4	..	..	44
Health Care & Social Assistance	16	10	14	27	24	20	6	4	121
Arts, Entertainment, & Recreation	21	21	6	5	12	13	5	5	88
Accommodation & Food Services	24	9	17	15	16	44	13	22	160
Other Services	24	15	17	14	19	32	..	..	133
Total	337	203	180	189	274	433	170	209	1,995

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The majority of Yukon businesses had gross revenues in 2002 exceeding \$50,000. Of the 1,995 businesses responding to the gross revenue question, 1,086 had gross revenues of \$50,000+, while 909 businesses reported gross revenues less than that. The majority of mining operations, 54 of the 99 reporting, had gross revenues below \$50,000. The majority of retail trade businesses reported gross revenues exceeding \$100,000. Of the 279 retail firms reporting, 104 were below \$100,000 while 175 were above this mark.

**Number of Yukon Businesses by Gross Revenue
2000 and 2002**



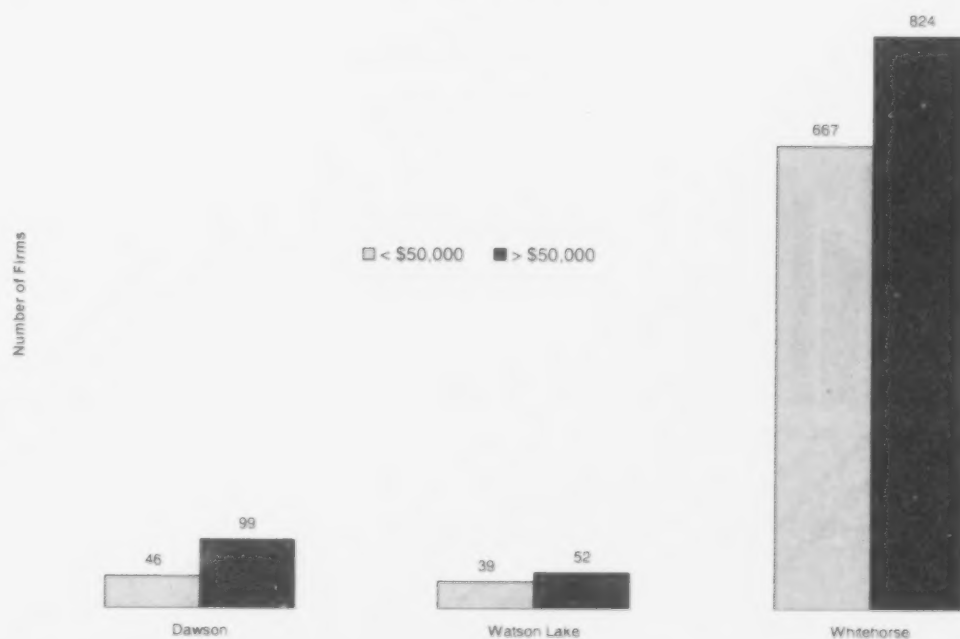


Location of Firms Based on Gross Revenues, 2002

Gross revenues in 2002

	Less than \$10,000	\$10,000 - 19,999	\$20,000 - 29,999	\$30,000 - 49,999	\$50,000 - 99,999	\$100,000 - 399,999	\$400,000 - 899,999	\$900,000 or more	Total
Carcross	..	..	..	..	..	..	..	..	10
Carmacks	..	..	..	..	..	..	..	..	11
Dawson	20	8	8	10	27	41	15	16	145
Faro	13	..	..	..	..	..	..	..	22
Haines Junction	12	9	6	8	7	7	..	..	53
Mayo	8	4	..	4	5	5	..	..	32
Marsh Lake	..	..	..	..	..	..	..	..	11
Ross River	..	..	..	..	..	..	..	..	7
Teslin	4	..	..	..	..	..	..	..	14
Watson Lake	12	8	12	7	17	16	7	12	91
Whitehorse	234	158	133	142	195	335	136	158	1,491
Other Yukon	5	..	..	..	..	5	..	6	27
Yukon Total	313	197	77	181	263	420	166	200	1,914
B.C.	8	4	..	6	5	9	..	6	44
Alberta	7	..	..	..	4	..	..	..	20
Other Canada	..	..	..	..	..	..	..	..	5
Canada Total	17	6	..	8	10	11	..	9	69
U.S.A. Total	7	..	..	..	..	..	..	..	9
Grand Total	337	203	79	189	274	431	169	209	1,992

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Reported Gross Revenue by Location of Firms,
2002

Note: all other communities had at least some data suppressed for confidentiality

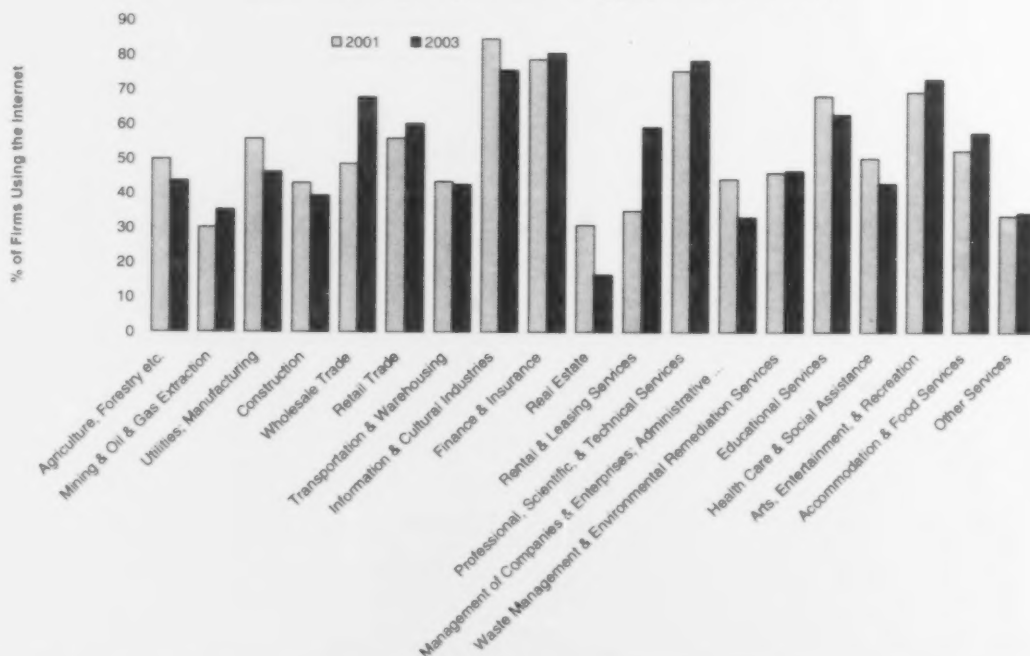
**Percentages of all respondents who answered the question
"Does this business use the Internet?"**

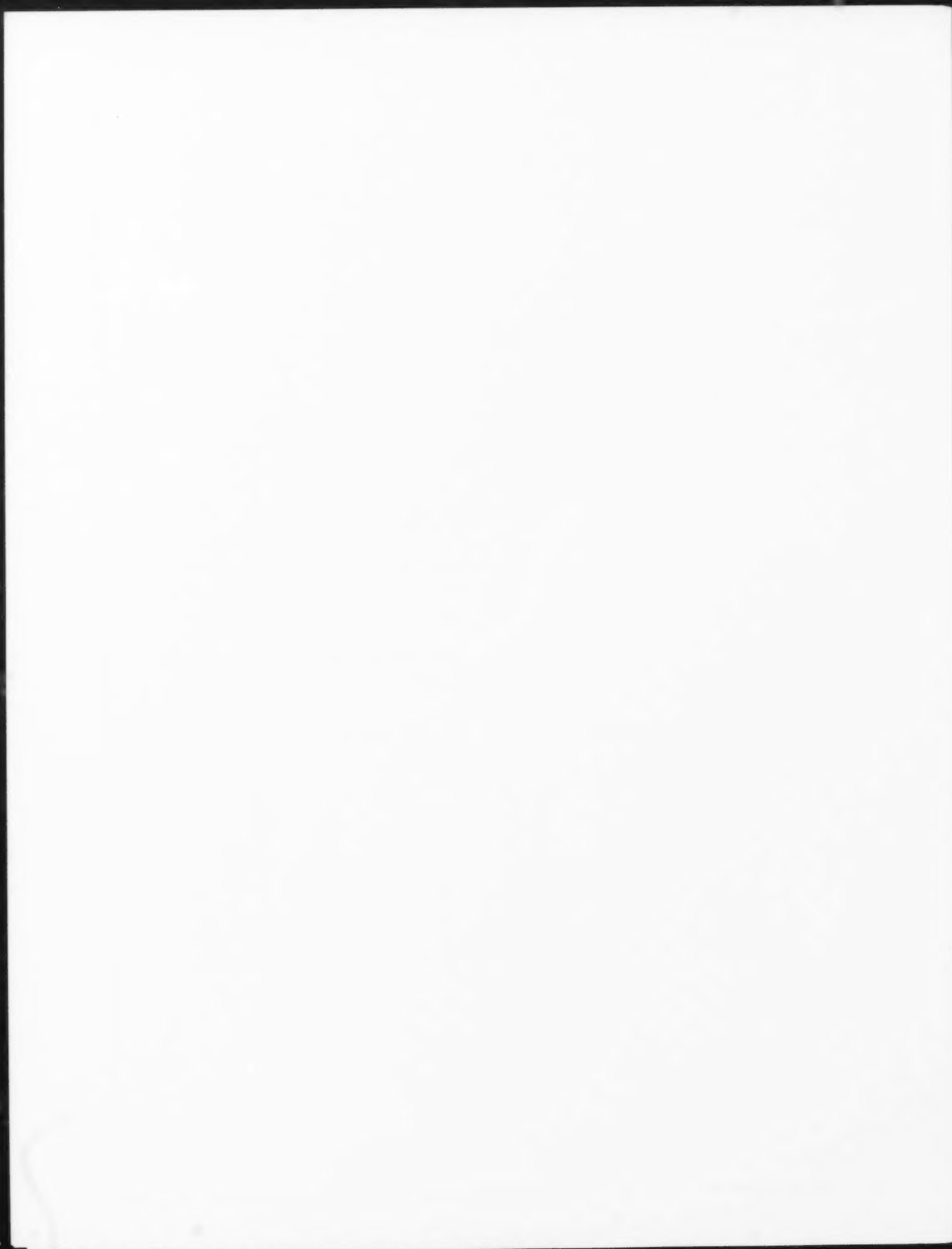
	Yes	No
Agriculture, Forestry, Fishing, Hunting	7	9
Mining & Oil & Gas Extraction	39	71
Utilities, Manufacturing	44	51
Construction	92	141
Wholesale Trade	38	18
Retail Trade	184	121
Transportation & Warehousing	35	47
Information & Cultural Industries	28	9
Finance & Insurance	25	6
Real Estate	12	60
Rental & Leasing Services	16	11
Professional, Scientific, & Technical Services	267	73
Management of Companies & Enterprises, Administrative & Support Services	49	98
Waste Management & Environmental Remediation Services	7	8
Educational Services	29	17
Health Care & Social Assistance	56	74
Arts, Entertainment, & Recreation	68	25
Accommodation & Food Services	101	74
Other Services	51	96
Total	1148	1009

In this survey, Yukon businesses were asked "Does this business use the Internet?" Of the 2,157 businesses that responded, 53.2% responded that they did use the Internet for business. This compares to 52.4% in 2001.

The top three sectors in 2003 that had the highest Internet usage among the respondents were Finance and Insurance (80.6%), Professional, Scientific, and Technical Services (78.5%) and Information and Cultural Industries (75.7%).

Internet Usage by Business Type, 2001 and 2003



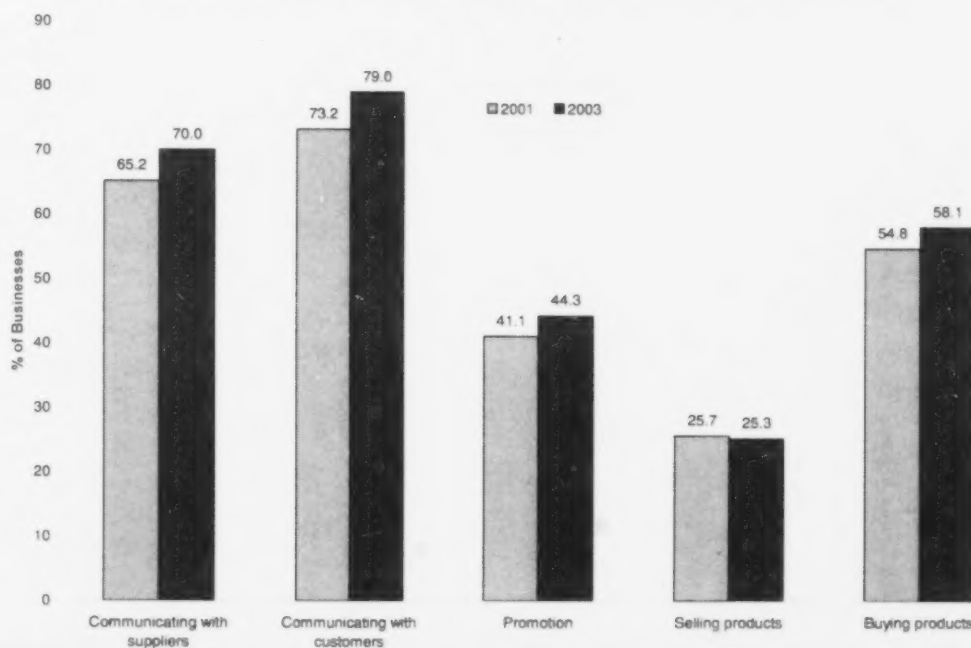


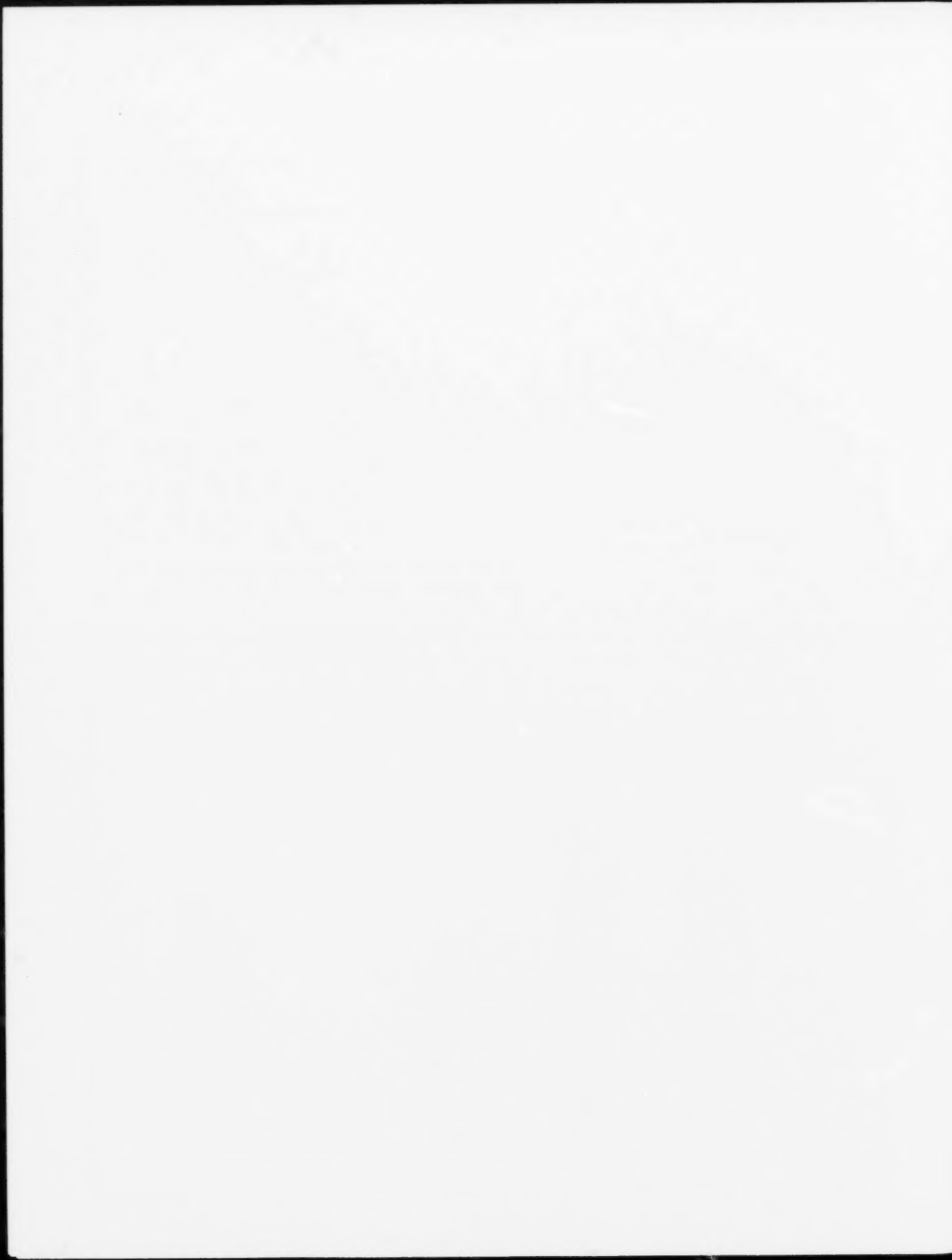
	Does this business use the Internet?		Usages specified by those saying they use the Internet:				
	Yes	No	Communicating with suppliers	Communicating with customers	Promotion	Selling products	Buying products
Agriculture, Forestry, Fishing, Hunting	-	9	6	-	-	-	6
Mining & Oil & Gas Extraction	39	71	29	21	8	7	28
Utilities; Manufacturing	44	51	38	35	20	13	29
Construction	92	141	67	50	15	8	53
Wholesale Trade	38	18	33	30	15	12	25
Retail Trade	184	121	156	124	71	56	108
Transportation & Warehousing	35	47	22	32	25	13	18
Information & Cultural Industries	28	9	25	27	19	10	19
Finance & Insurance	25	6	14	25	15	7	10
Real Estate	12	60	8	10	5	5	-
Rental & Leasing Services	16	11	13	13	12	7	11
Professional, Scientific, & Technical Services	267	73	170	249	105	48	158
Management of Companies, Admin & Support...	49	98	34	39	20	9	30
Waste Management & Environmental...	-	8	6	-	-	-	5
Educational Services	29	17	20	25	19	9	18
Health Care & Social Assistance	56	74	23	35	14	-	31
Arts, Entertainment, & Recreation	68	25	44	59	52	35	33
Accommodation & Food Services	101	74	57	92	78	46	53
Other Services	51	96	38	34	12	-	29
Total	1148	1009	803	907	508	291	667

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Of the Yukon businesses who responded to the survey question "Does this business use the Internet?", 53.2% replied that they did use the Internet for business. Of those, 25.3% used it to sell products and 44.3% used the Internet for promotional purposes. 58.1% of Yukon businesses used the Internet to buy products while 70.0% used it to communicate with suppliers and 79.0% with customers.

Type of Internet Usage by Yukon Businesses, 2001 and 2003
(for those who responded Yes to using the Internet for business)



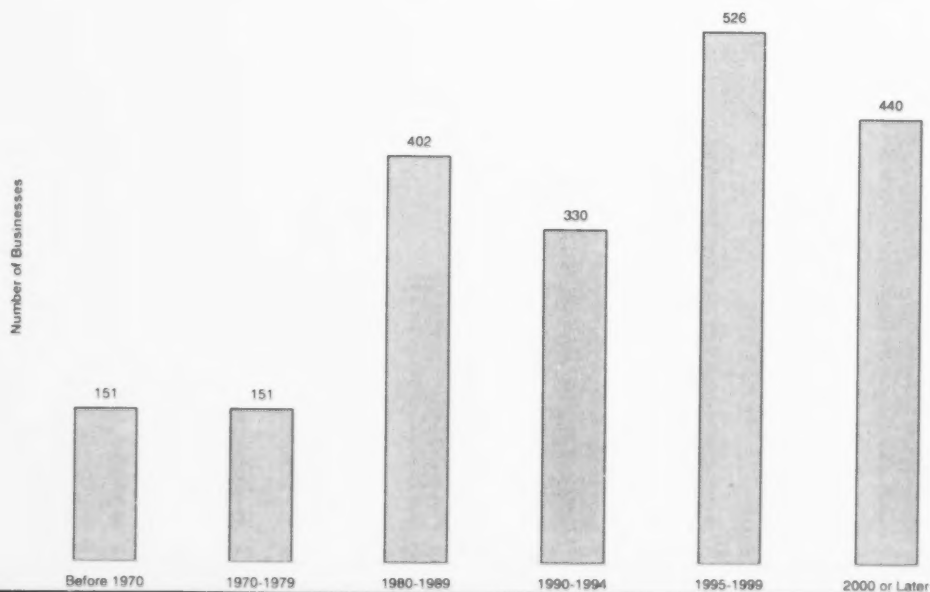


	Year Business Established					2000 or Later	Total
	Before 1970	1970-1979	1980-1989	1990-1994	1995-1999		
Agriculture, Forestry, Fishing, Hunting	..	..	..	4	4	..	16
Mining & Oil & Gas Extraction	8	18	32	20	14	8	100
Utilities; Manufacturing	6	4	21	13	29	17	90
Construction	10	26	70	42	43	31	222
Wholesale Trade	10	..	11	6	14	10	51
Retail Trade	26	29	52	45	71	49	272
Transportation & Warehousing	13	8	18	9	9	17	74
Information & Cultural Industries	..	6	9	..	11	6	38
Finance & Insurance	6	..	..	..	6	4	24
Real Estate	9	7	16	7	12	11	62
Rental & Leasing Services	..	..	7	5	7	4	25
Professional, Scientific, & Technical Services	11	14	47	61	104	92	329
Management of Companies & Enterprises; Administrative & Support Services	7	8	20	24	44	35	138
Waste Management & Environmental Remediation Services	..	..	..	..	..	..	13
Educational Services	..	..	6	5	15	20	46
Health Care & Social Assistance	..	..	11	23	44	40	123
Arts, Entertainment, & Recreation	7	4	14	13	25	25	88
Accommodation & Food Services	21	9	26	26	37	34	153
Other Services	10	9	33	19	34	31	136
Total	151	151	402	330	526	440	2000

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Of the businesses who responded to the question "When was this business established?", just over one third (35.3%) were established prior to 1990. 16.5% of businesses were established in the period 1990 to 1994, 26.3% from 1995 to 1999 and 22.0% in 2000 or later. The industry sector with the greatest number of businesses established since 1994 is Professional, Scientific, and Technical Services sector which had 196 new businesses. 59.6% of businesses in this sector have been established since 1994.

Year Business Established



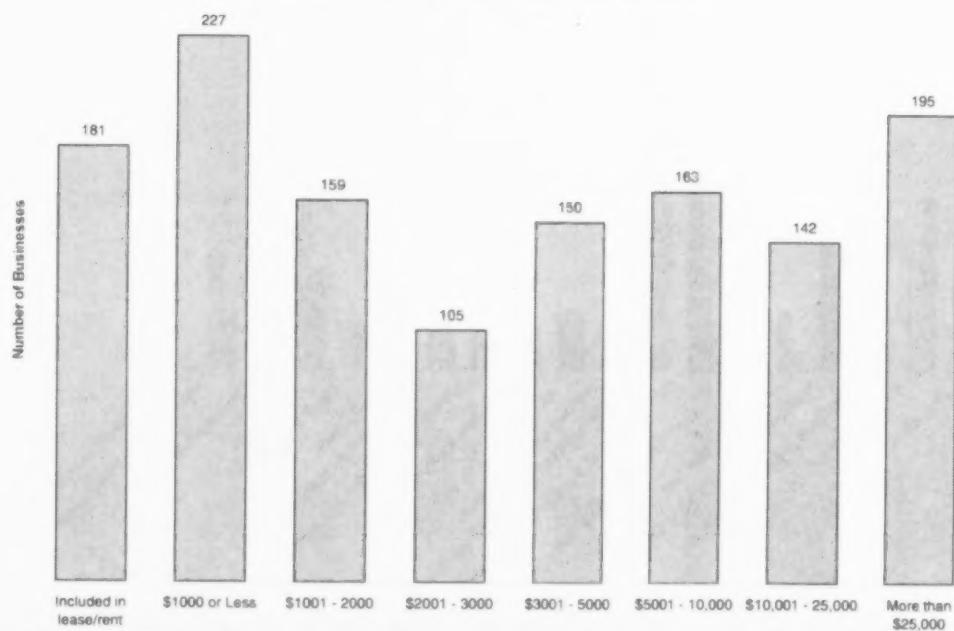
Energy Expenditures, Most Recent Fiscal Year

	Included in lease/rent	\$1000 or Less	\$1001 - 2000	\$2001 - 3000	\$3001 - 5000	\$5001 - 10,000	\$10,001 - 25,000	More than \$25,000	Total
Agriculture, Forestry, Fishing, Hunting	..	..	..	..	..	4	..	..	11
Mining & Oil & Gas Extraction	..	12	..	..	7	10	8	28	73
Utilities; Manufacturing	5	13	4	5	..	6	..	7	46
Construction	4	19	16	10	26	27	23	25	150
Wholesale Trade	9	4	..	..	..	6	7	6	38
Retail Trade	29	15	30	8	16	26	26	39	189
Transportation & Warehousing	4	..	..	..	..	5	10	22	44
Information & Cultural Industries	5	4	5	..	..	..	..	4	23
Finance & Insurance	..	..	..	..	..	..	..	..	16
Real Estate	10	4	4	..	5	5	9	9	47
Rental & Leasing Services	..	..	..	..	..	..	..	..	12
Professional, Scientific, & Technical Services	43	71	25	27	20	15	5	..	209
Management of Companies & Enterprises; Administrative & Support Services	16	23	17	6	9	9	5	..	88
Waste Management & Environmental Remediat	..	..	..	..	..	..	..	..	4
Educational Services	..	11	8	..	..	..	..	..	29
Health Care & Social Assistance	17	9	11	15	15	7	..	..	77
Arts, Entertainment, & Recreation	5	14	11	5	9	5	6	6	61
Accommodation & Food Services	7	7	5	8	15	18	21	33	114
Other Services	18	15	14	8	10	14	9	..	91
Total	181	227	159	105	150	163	142	195	1322

.. = suppressed for confidentiality

There was a broad range in the amount businesses who replied to this question, paid in energy costs for the last fiscal year. The category with the most businesses was the "\$1000 or less" category with 227, or 17.2%, of the 1322 businesses that responded. The category with the second most businesses was the "more than \$25,000" category, with 195 businesses or 14.8%.

Energy Expenditures for the Last Fiscal Year

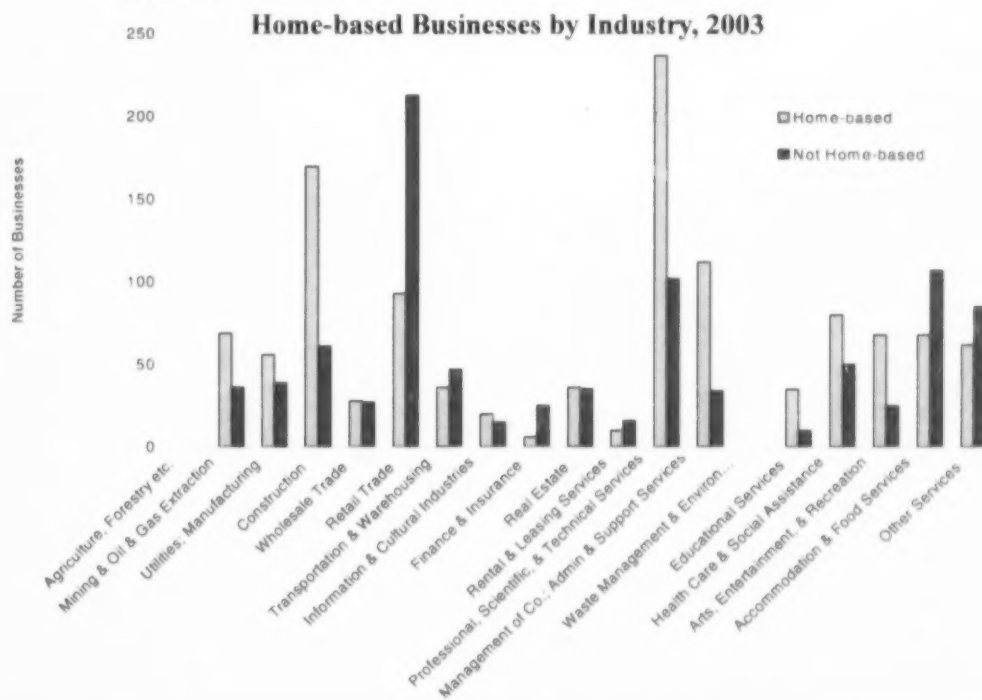




For this 2003 Business Survey, the question "Is this a home-based business" was asked. 1205, or 56.2% of the businesses who responded to this question were identified as home-based.

	Home-Based Business?		
	Yes	No	Total
Agriculture, Forestry, Fishing, Hunting	..	..	15
Mining & Oil & Gas Extraction	69	36	105
Utilities; Manufacturing	56	39	95
Construction	170	61	231
Wholesale Trade	28	27	55
Retail Trade	93	213	306
Transportation & Warehousing	36	47	83
Information & Cultural Industries	20	15	35
Finance & Insurance	6	25	31
Real Estate	36	35	71
Rental & Leasing Services	10	16	26
Professional, Scientific, & Technical Services	237	102	339
Management of Companies & Enterprises; Administrative & Support Services	112	34	146
Waste Management & Environmental Remediation Services	..	..	15
Educational Services	35	10	45
Health Care & Social Assistance	80	50	130
Arts, Entertainment, & Recreation	68	25	93
Accommodation & Food Services	68	107	175
Other Services	62	85	147
Total	1205	938	2143

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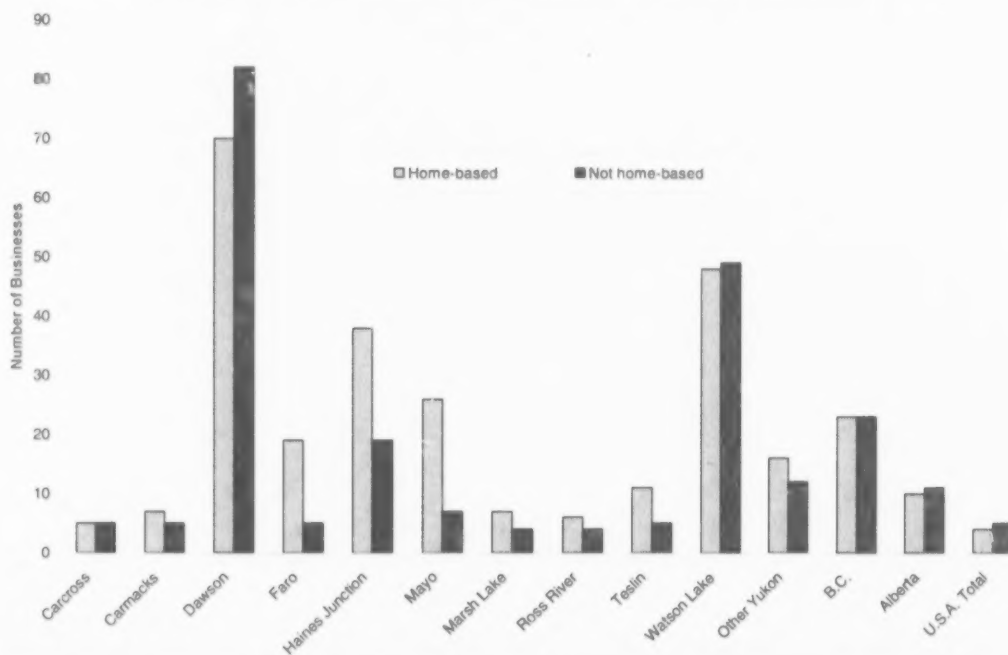
	Home-Based Business?		
	Yes	No	Total
Carcross	5	5	10
Carmacks	7	5	12
Dawson	70	82	152
Faro	19	5	24
Haines Junction	38	19	57
Mayo	26	7	33
Marsh Lake	7	4	11
Ross River	6	4	10
Teslin	11	5	16
Watson Lake	48	49	97
Whitehorse	912	699	1611
Other Yukon	16	12	28
Yukon Total	1165	896	2061
B.C.	23	23	46
Alberta	10	11	21
Other Canada	..	..	6
Canada Total	36	37	73
U.S.A. Total	4	5	9
Grand Total	1205	938	2143

.. = suppressed for confidentiality

As would be expected given the Yukon's demographics, Whitehorse had the vast majority, 912 or 78.3% of the home-based businesses in the territory. In Whitehorse, home-based businesses accounted for 56.6% of the city's total businesses. Dawson City and Watson Lake were the only two Yukon communities where the businesses which were not home-based, outnumbered the home-based business.

Location of Business, Home-based and Not Home-based, 2003

(does not include Whitehorse which had 912 home-based and 699 not home-based businesses)



Home-based Businesses by Industry Sector

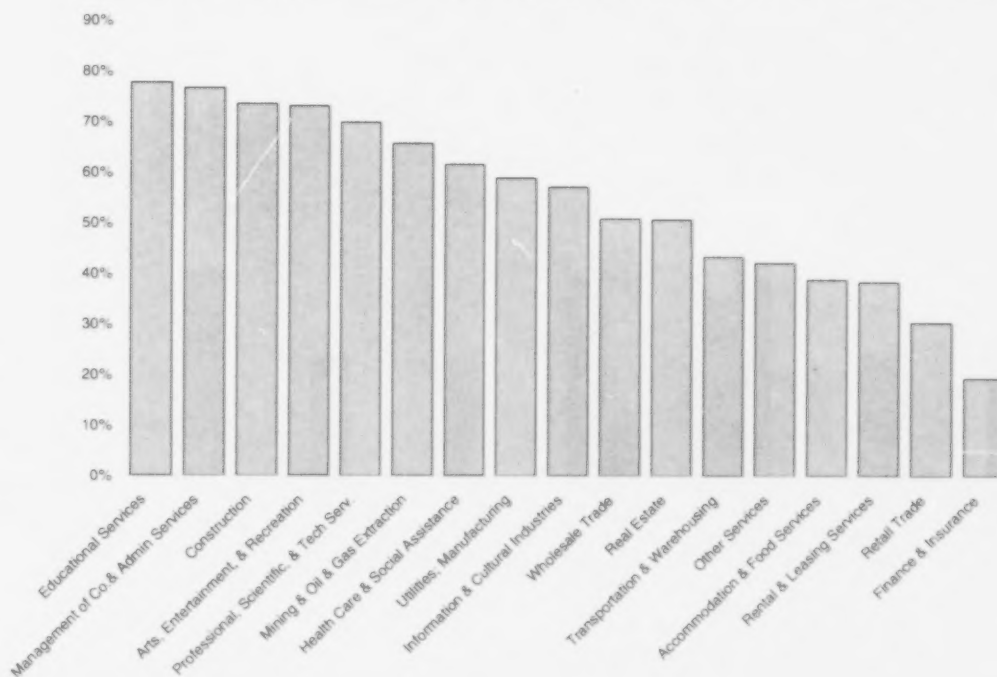
Agriculture, Forestry, Fishing, Hunting	..
Mining & Oil & Gas Extraction	69
Utilities; Manufacturing	56
Construction	170
Wholesale Trade	28
Retail Trade	93
Transportation & Warehousing	36
Information & Cultural Industries	20
Finance & Insurance	6
Real Estate	36
Rental & Leasing Services	10
Professional, Scientific, & Technical Services	237
Management of Companies & Enterprises; Administrative & Support Services	112
Waste Management & Environmental Remediation Services	..
Educational Services	35
Health Care & Social Assistance	80
Arts, Entertainment, & Recreation	68
Accommodation & Food Services	68
Other Services	62
Total	1205

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The Professional, Scientific and Technical Services industry sector had more home-based businesses than any other sector in 2003.

There were 237 home-based businesses, or 69.9% of all businesses in this sector were home-based. Construction businesses had the second highest number of businesses which were home-based at 170, which represented 73.6% of all businesses in the Construction sector. The industry sector with the highest percentage of home-based businesses was the Educational Services sector with 77.8% being home-based. The Finance and Insurance sector had the lowest percentage with just 19.4% of businesses being home-based.

Percentage of all Businesses in each Industry Sector which are Home-based



Home-based Businesses by Industry Sector

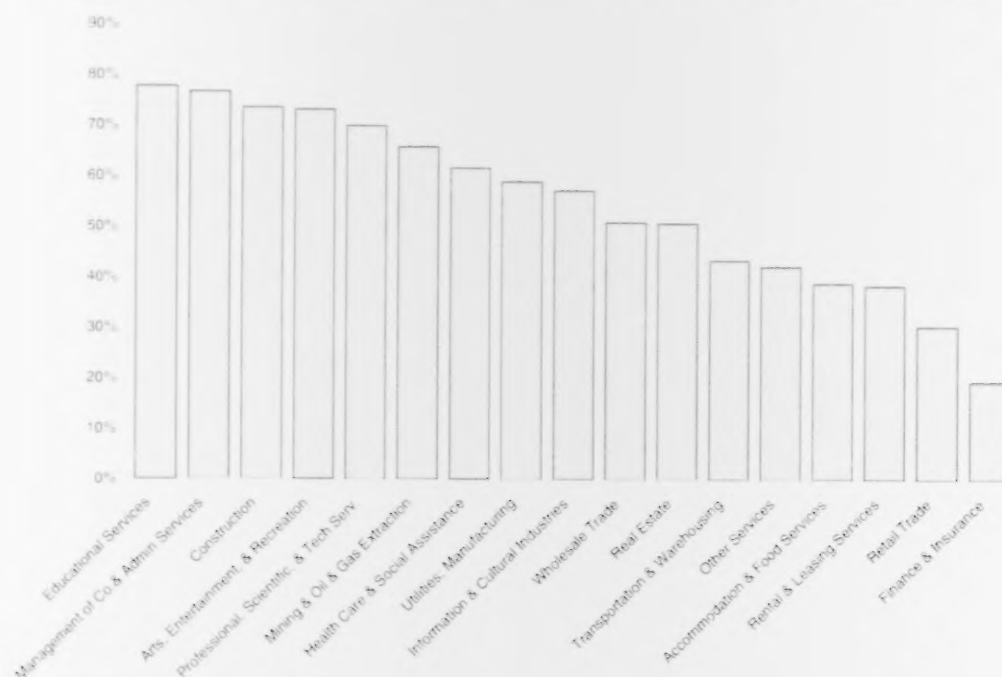
Agriculture, Forestry, Fishing, Hunting	-
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Utilities; Manufacturing	56
Construction	170
Wholesale Trade	28
Retail Trade	93
Transportation & Warehousing	36
Information & Cultural Industries	20
Finance & Insurance	6
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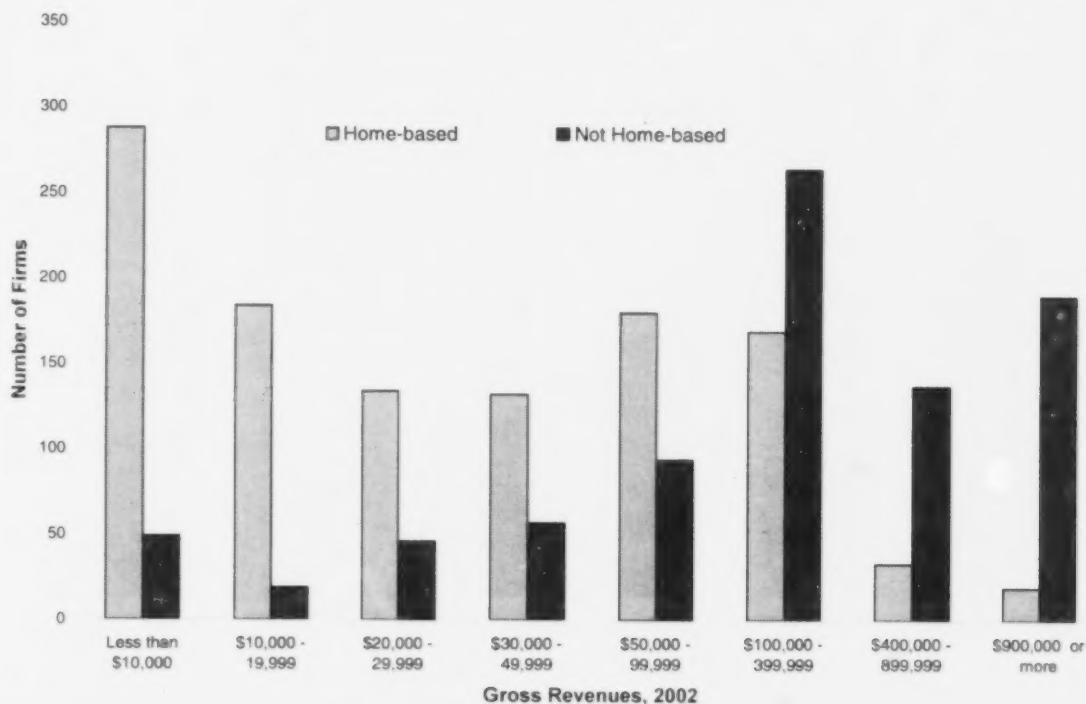


Gross Revenues, 2002

	Less than \$10,000	\$10,000 - 19,999	\$20,000 - 29,999	\$30,000 - 49,999	\$50,000 - 99,999	\$100,000 - 399,999	\$400,000 - 899,999	\$900,000 or more	Total
Home-based	288	184	134	132	180	169	33	19	1139
Not Home-based	49	19	46	57	94	264	137	190	856
Total	337	203	180	189	274	433	170	209	1995

As would be expected, home-based businesses' annual gross revenues for 2002 were generally less than their non-home-based counterparts. In 2002, there were 288, or 25.3% of all home-based businesses, which had gross revenues of less than \$10,000. This compares with 49, or 5.7% of all non-home-based businesses, which had revenues less than \$10,000 for 2002. For businesses with gross revenues over \$400,000, there were 52 home-based businesses (4.6%), and 327 non-home-based businesses (38.2%). The median gross revenues for home-based businesses would be in the \$20,000 to \$29,999 range. The median gross revenues for non-home-based businesses would fall into the \$100,000 to \$399,999 range. The median point is where half of the businesses would have gross revenues higher and half would be lower.

Gross Revenues, 2002
Home-based and Not Home-based Businesses

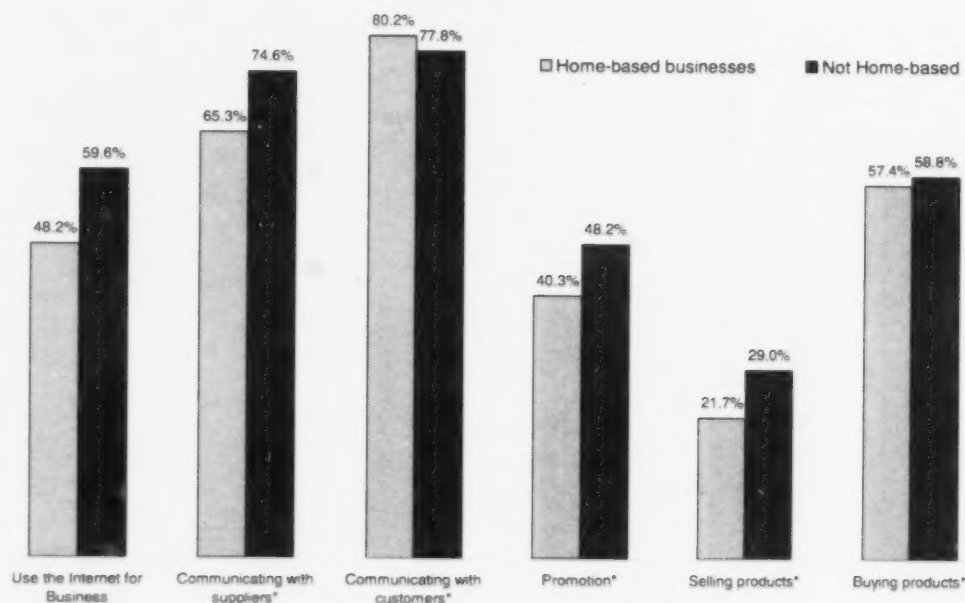


14 Home-based Business Internet Use

	Does this business use the Internet?		Usages specified by those saying they use the Internet:				
	Yes	No	Communicating with suppliers	Communicating with customers	Promotion	Selling products	Buying products
Agriculture, Forestry, Fishing, Hunting	4	9	4	—	—	—	4
Mining & Oil & Gas Extraction	18	51	14	8	—	5	13
Utilities; Manufacturing	20	36	18	14	7	4	13
Construction	53	117	38	27	6	—	31
Wholesale Trade	13	15	12	12	5	4	7
Retail Trade	44	48	37	30	19	13	28
Transportation & Warehousing	10	26	7	10	7	—	7
Information & Cultural Industries	14	6	11	13	7	5	9
Finance & Insurance	4	—	—	4	—	—	—
Real Estate	7	29	4	6	—	—	—
Rental & Leasing Services	5	5	4	5	—	—	4
Professional, Scientific, & Technical Services	182	55	115	168	61	29	107
Management of Companies & Enterprises; Administrative & Support Services	31	81	21	22	11	5	23
Waste Management & Environmental Remediation Services	—	4	—	—	—	—	—
Educational Services	22	13	15	20	13	6	13
Health Care & Social Assistance	38	42	9	25	10	—	18
Arts, Entertainment, & Recreation	49	19	31	42	39	27	21
Accommodation & Food Services	42	26	21	41	36	15	17
Other Services	22	40	14	15	4	—	13
Total	580	624	379	465	234	126	333

— = suppressed for confidentiality

Internet Usage and Type of Usage, Home-based and Not Home-based Businesses, 2003

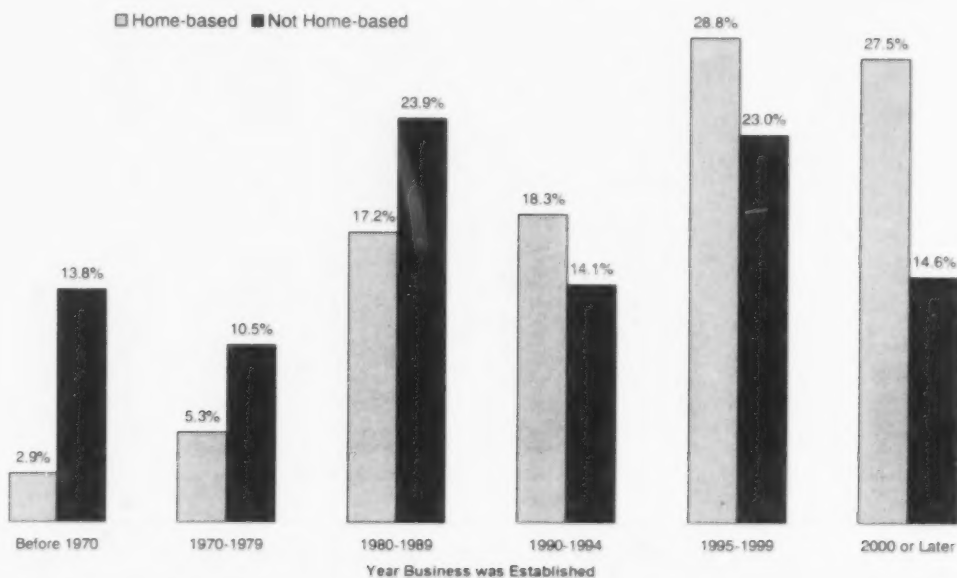


* Based on those respondents who answered "yes" to using the Internet

When was Home-based Business established?

	Year Business Established					2000 or Later	Total
	Before 1970	1970-1979	1980-1989	1990-1994	1995-1999		
Agriculture, Forestry, Fishing, Hunting	..	..	..	..	..	..	13
Mining & Oil & Gas Extraction	4	11	14	16	10	5	60
Utilities; Manufacturing	..	..	10	7	18	15	53
Construction	..	..	48	37	33	28	163
Wholesale Trade	..	..	8	4	6	8	27
Retail Trade	..	..	15	17	17	27	87
Transportation & Warehousing	4	..	6	6	..	10	32
Information & Cultural Industries	..	..	4	..	6	6	20
Finance & Insurance	..	..	..	..	..	..	5
Real Estate	..	..	7	5	7	8	33
Rental & Leasing Services	..	..	4	..	..	..	10
Professional, Scientific, & Technical Services	..	..	27	45	81	75	231
Management of Companies & Enterprises; Administrative & Support Services	..	..	13	18	38	31	106
Waste Management & Environmental Remediation Services	..	..	..	..	..	..	4
Educational Services	..	..	4	4	11	16	35
Health Care & Social Assistance	..	..	..	14	33	29	78
Arts, Entertainment, & Recreation	..	..	10	11	21	18	64
Accommodation & Food Services	8	..	9	11	20	15	66
Other Services	..	..	13	6	17	17	57
Total	33	61	197	209	329	315	1,144

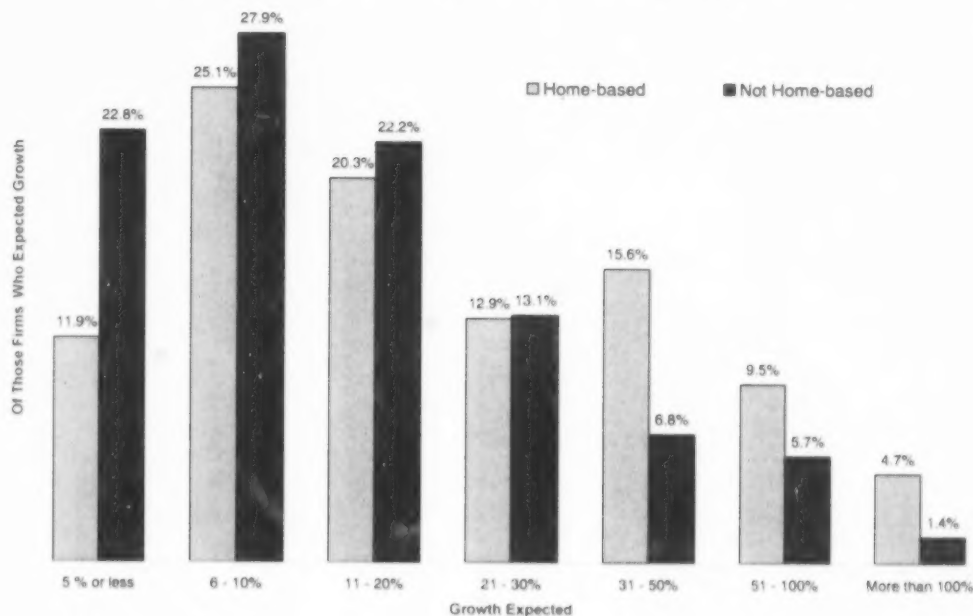
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The Year the Business was Established
Home-based and Not Home-based

Do you expect that your business will grow in the future?	Home-based		Not Home-based	
	Yes	No	Yes	No
Agriculture, Forestry, Fishing, Hunting	..	..	..	..
Mining & Oil & Gas Extraction	24	14	16	6
Utilities; Manufacturing	28	9	15	8
Construction	48	31	22	10
Wholesale Trade	..	..	..	..
Retail Trade	48	12	106	39
Transportation & Warehousing	10	5	23	10
Information & Cultural Industries	11	..	8	..
Finance & Insurance	..	..	..	..
Real Estate	..	..	..	..
Rental & Leasing Services	5	4	9	4
Professional, Scientific, & Technical Services	96	32	51	15
Management of Companies & Enterprises; Administrative & Support Services	39	24	17	6
Waste Management & Environmental Remediation Services	..	..	..	..
Educational Services	16	6	5	..
Health Care & Social Assistance	20	15	19	6
Arts, Entertainment, & Recreation	38	11	10	6
Accommodation & Food Services	28	14	46	15
Other Services	17	7	32	20
Total	449	197	420	173

.. = suppressed for confidentiality

Percentage of Expected Growth for 2003
(Of Businesses who Responded Yes to Expecting Growth)



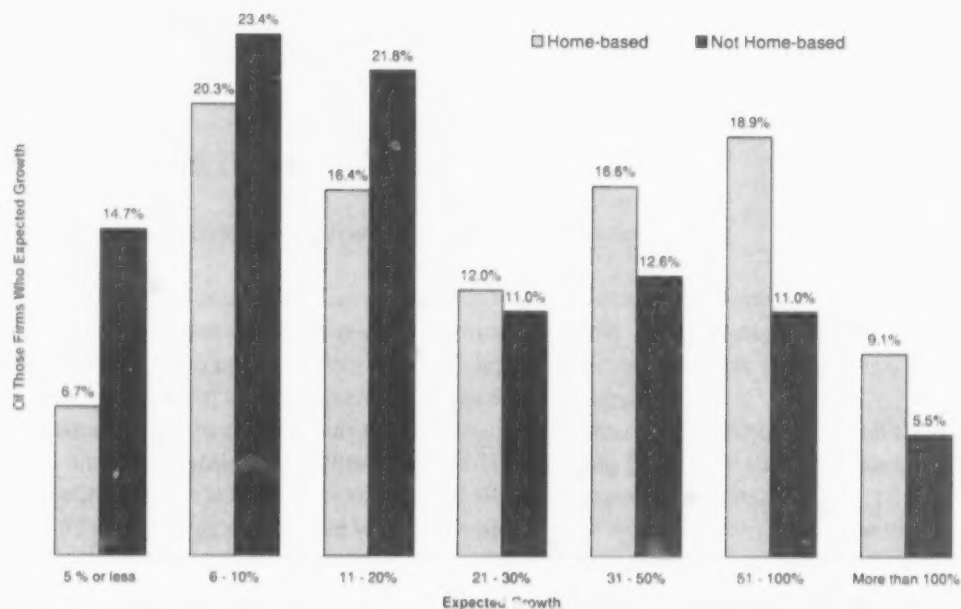
* It should be noted that only 1,239 businesses responded to this question.

17 Growth Expectations for the Future

Do you expect that your business will grow in the future?	Home-based		Not Home-based	
	Yes	No	Yes	No
Agriculture, Forestry, Fishing, Hunting	7	4	..	..
Mining & Oil & Gas Extraction	34	25	20	17
Utilities; Manufacturing	38	15	22	15
Construction	81	81	30	29
Wholesale Trade	18	7	21	7
Retail Trade	60	24	145	54
Transportation & Warehousing	12	19	30	13
Information & Cultural Industries	14	6	11	4
Finance & Insurance	..	..	..	..
Real Estate	6	27	13	22
Rental & Leasing Services	..	..	..	..
Professional, Scientific, & Technical Services	128	103	67	30
Management of Companies & Enterprises; Administrative & Support Services	58	44	24	10
Waste Management & Environmental Remediation Services	..	..	..	..
Educational Services	21	12	8	..
Health Care & Social Assistance	31	45	24	24
Arts, Entertainment, & Recreation	50	16	16	7
Accommodation & Food Services	41	22	59	37
Other Services	25	30	48	32
Total	636	490	579	313

.. = suppressed for confidentiality

**Percentage of Expected Future Growth
(Of Businesses who Responded Yes to Expecting Growth)**



18 Advantages of Doing Business in the Yukon

In this 2003 Business Survey, the questions were asked "What are the advantages of doing business in the Yukon?" and "What are the disadvantages of doing business in the Yukon?". The responses were broken out by home-based business and non-home-based businesses. The responses were grouped into like categories.

Advantages

The most common response to the advantages among non-home-based businesses was a *stable customer base*. Among the home-based business owners, the number one response had to do with the *small, tight-knit community*, while the *stable customer base* ranked third in terms of numbers of responses. For both types of businesses, *lifestyle choice* was the second most popular advantage to doing business in the Yukon.

There was almost no difference between home-based and non-home-based businesses in the remainder of the responses. *Limited competition* was stated as another advantage to do business in the Yukon by 115 home-based business respondents, while there were 96 non-home-based businesses felt the same way. An almost equal number of home-based (100) and non-home-based (99) businesses felt there was *no advantage* to doing business in the Yukon. A *strong tourism industry* was also felt to be an advantage by an almost equal number of home-based (75) and non-home-based (79) businesses.

Disadvantages

The most common disadvantage felt by both home-based and non-home-based businesses was the *distance the Yukon is from suppliers and markets*. 340 non-home-based businesses stated this was a disadvantage while 351 home-based respondents did as well.

There were an equal number of respondents (259) who stated the *small market/population* in the Yukon was a disadvantage. The third disadvantage stated by both types of business, was that *the Yukon is expensive*, the high energy and staffing costs were stated as factors. The *slow economy* and lack of primary industries was also a commonly stated disadvantage among both home-based (111) and non-home-based (133) businesses.

Both Advantages and Disadvantages

A few responses were considered both advantages and disadvantages:

- Doing business in a small tight knit community was considered an advantage by many business owners while the small market and small population was considered a disadvantage also.
- There was also much concern about too much government and too many regulations while others stated the government was not doing enough to help business owners.
- While some respondents felt it was an advantage to have less competition, others felt there was not enough variety and competitive prices from suppliers in the Yukon. Still other comments stated there was too much competition in the Yukon which was driving down revenues for everyone.
- Also, 199 respondents stated there was no advantage to doing business in the Yukon while 283 stated there were no disadvantage to doing business in the Yukon.

The following is a summary of the responses to the question "What are the advantages to doing business in the Yukon?"

Advantages of Doing Business in the Yukon According to Businesses which are Not Home-based

There were 782 respondents to this question. Each respondent may have multiple comments to this question.

Stable customer base - (150) The most common response to this question was that the customer base is stable and/or has potential for growth. Some business owners felt their customer base was loyal, stable and established. Some also mentioned that their customers were mainly government employees or that there is a lot of government funds available for contracts. *"We have the government which is 80% of the economy or more"*

Lifestyle choice - (133) The second most common advantage to doing business in the Yukon by non-home-based business owners was that they enjoy the lifestyle here. This category also includes respondents who said it was an advantage simply because of the fact that they live here and/or grew up here. There were numerous comments relating to the quality of life and the fact they liked living in the Yukon. *"I love working in the Yukon, it's a personal preference"*

Small, tight-knit community - (121) Many respondents felt that one advantage to doing business in the Yukon was the fact that the communities are small and they could get to know their customers on a personal level. You are able to know everybody and word of mouth advertising goes a long way. It was also felt that by being a small market, people also support small business. *"It's easy to make a good name for yourself and the word of mouth approach works here"; "I support Yukon-based businesses and buy locally."*

No advantage - (99) Many respondents felt there was no advantage to doing business in the Yukon. Some stated that their business being in the Yukon has no advantage compared to elsewhere *"There isn't any obvious advantage"* while others felt they could do better elsewhere. *"There aren't any-we could do better anywhere else"*

Limited competition - (96) Some respondents stated that an advantage of the small market in the Yukon was there was less competition. Many stated that they were the only supplier of that product or service in the Yukon. *"As a small retail business, we benefit from not having as much competition as in the south"*

Strong tourism industry - (79) Respondents felt that the Yukon had a strong tourism industry based on the wilderness and the Alaska highway. *"The Yukon is a place with high tourism. Since our business is mostly tourist based, this is a good place for business"*

Geographic location - (45) The majority of the responses in this category referred to gold or gold mining in the Yukon. Also several comments referring to the close proximity to Alaska. *"We have substantial gold reserves here in the Yukon"*

20 Advantages of Doing Business in the Yukon

Advantages of doing business in the Yukon according to businesses which are not home-based continued...

Tax breaks or incentives from government - (32) There were several comments referring to the fact it is an advantage in the Yukon to do business as there is no provincial/territorial sales tax. Some respondents also felt that income taxes were generally lower than in other jurisdictions. *"We have reasonably low income tax rates in the Yukon and no territorial sales tax, unlike British Columbia."*

The people of the Yukon - (16) Some respondents also felt that the type of people in the Yukon created an advantage for doing business here. *"The people are great and the entrepreneurial spirit in the Yukon is great. People have a real can-do attitude"*

High amount of First Nations activities - (3) A few respondents also felt that the First Nations self-government was advantage also. *"First Nation self government under the Indian Act is an advantage for my business"*

Advantages of Doing Business in the Yukon According to Businesses which are Home-based

There were 1,081 respondents to this question. Each respondent may have multiple comments to this question.

Small tight-knit community- (314) The home-based business owners echoed a lot of the comments made by non-home-based business owners. The majority of the comments in this category referred to the fact that they knew many/most people and word of mouth advertising was very effective. Also they feel that Yukoners support local businesses. *"Reputation and word of mouth works well in the Yukon so we don't have to push advertisement for our business"; "It's Yukon based, run and owned. People appreciate that"*

Lifestyle choice - (237) Many business owners felt that a big advantage to doing business in the Yukon was that it allowed them to live here and enjoy the Yukon lifestyle and recreation opportunities. Some felt the Yukon offers a slower pace of life and a good place to raise children. *"It's where I live and I can do the business from home and I enjoy the Yukon lifestyle"; "We love living here and it's nice to be able to have work where you are comfortable".*

Stable customer base - (145) Many respondents stated that they had a established a niche in the market and had loyal customers or clients. It was also mentioned that the income levels are higher in the Yukon. Some mentioned again that the government spending help to stabilize the economy. *"There is a need for what I do here. Also, the people I do business with are quite loyal".*

Limited competition - (115) Home-based business owners again felt that the small market in the Yukon was a distinct advantage. Many felt that in their field of expertise, there would be much more competition elsewhere. *"My competition lives far away and they have to compete with me from a distance".*

No advantage - (100) Most comments in this category simply stated that there were no advantages to doing business in the Yukon. *"There aren't any differences that I've noticed. I have businesses down south too and I run them the same way".*

Advantages of doing business in the Yukon according to businesses which are not home-based continued...

Strong tourism industry - (75) Many business owners again commented on the strong tourism industry and the Yukon wilderness being so well known and attractive to tourists. *"Lots of people from all over the world are drawn to the Yukon because of the uniqueness of the environment"*

Geographic location - (61) A lot of the comments in this category related to specific industries - mining, outfitting, photography etc. The advantages to doing business in the Yukon were obviously the availability of the resources. It was also noted that is an advantage being situated so close to Alaska. *"It's where the gold is and we actually like the climate"*.

Tax breaks and incentives from government - (46) Many of the respondents stated that an advantage was the fact that there is no territorial sales tax. There was also a number of comments referring to the support government gives to small business. *"There aren't high taxes and the government supports local businesses"*.

High amount of First Nations activities - (10) A few respondents also commented on the advantage of doing business in the Yukon was to help First Nations. *"Making a contribution in strengthening the aboriginal community"*.

Disadvantages of Doing Business in the Yukon According to Businesses which are Not Home-based

There were 853 respondents to this question. Each respondent may have multiple comments to this question.

Distance from suppliers and markets - (340) The main disadvantage stated by business owners in the Yukon was increased expenses and time associated with being so far from suppliers. 134 respondents specifically stated freight costs as a disadvantage, while others alluded to it. This increase in cost makes it tougher to have competitive prices. Also increased travel costs associated with doing business-trade shows, meeting with suppliers etc., was also a major disadvantage for Yukon businesses. Even within the Yukon, the expense and time needed to travel between communities is a disadvantage in comparison to other jurisdictions. *"The long distance from suppliers means increased transport costs. I have to fly to Vancouver or Edmonton to find out what is new and innovative in the industry"; "Where we are, having to get freight only once a week only. Then when they send the wrong things we have to wait another week"*.

Small market/population - (259) Another disadvantage stated by business owners was that due to the small population/market there was a limit to how much business can be done. There also was concern about the declining population further eroding revenue. *"There's not the same amount of growth as there would be in a larger centre"*.

The Yukon is expensive - (162) This category is somewhat related to the first one in this series in that the disadvantage of "the cost of living is higher in the Yukon" is due in some part to our being relatively remote and far from suppliers. There were many general statements of everything is higher in the Yukon, but the majority focussed on the high costs of energy being a disadvantage. *"The cost of heating is high, and since it's never warm here it is getting expensive"*.

Disadvantages of doing business in the Yukon according to businesses which are not home-based continued...

Slow economy - (133) Many respondents felt that the economy was slow currently in the Yukon and was a disadvantage to doing business here. There was concern about lack of growth in general as well as the downturn in the mining sector. There was also concern about lack of diversification and the continuous fluctuations or "boom or bust" economy. It was also felt that the only industry unaffected by the slow economy was government. *"General slowing of the economy. Primary industry is no longer here, either we build it back up or find a new one"; "The economy is poor, especially the private sector. There is little mining and construction-industries we rely on".*

The government creates disadvantages - (107) There were many respondents who felt a disadvantage to doing business in the Yukon was the amount of regulations, policies and red tape businesses must navigate in order to conduct business. In particular, there were many complaints dealing with mining regulations and Department of Fisheries and Oceans and the feeling that miners were being driven out of business. It was also felt that regulators and bureaucrats were out of touch with the private sector. It was stated as well that too many contracts were going to non-Yukoners when there were qualified businesses within the territory. *"There is way too much government interference and regulations. Organizations like the Department of Fisheries and Oceans won't listen to our points or arguments."*

No disadvantages - (75) Most comments in this category simply stated that there were no disadvantages to do business in the Yukon. *"There's not much difference here than anywhere else. Disadvantages are the same everywhere."*

Climate and seasonal work - (55) Most of these comments dealt with the short construction or tourist season. Also, cold weather and poor road conditions impact revenues. *"Really short construction season-five months only"; "The seasonal aspect of the Yukon. There is not much interest for winter tourism and it's not financially feasible to run the business in the winter."*

There is a lack of skilled workers - (36) These comments touched on the difficulty of finding and keeping workers in the Yukon. Again, due to our small population base, finding skilled labour is a big issue for some business owners. *"The lack of employees with education. The government should have more promotion for people to live here and maybe a subsidy for the cost of training employees."*

High amount of competition - (19) These comments were related to the fact that local businesses have a hard time competing with "big box" retailers and other retailers from the south who just ship product directly to customers in the Yukon. *"I'm competing with companies from down south and because it's cheap to have things trucked, people truck products up instead of buying them from me"*.

Lack of access to training in the Yukon - (10) A few business owners stated that the lack of access to training was a clear disadvantage to doing business in the Yukon. They said that having to travel outside for upgrading or training, or bringing someone up here, was getting expensive. *"The high cost of training is a disadvantage. For any upgrading I need, I have to travel out of the territory"*.

Disadvantages of Doing Business in the Yukon According to Businesses which are Home-based

There were 1,116 respondents to this question. Each respondent may have multiple comments to this question.

Distance from suppliers and markets - (351) As in the responses from non-home based business owners, this was the category the largest number of home-based business owners stated was a disadvantage of doing business in the Yukon. 132 respondents identified increased freight charges specifically, while again many other alluded to it. They also stated that the amount of time and money it takes to have supplies shipped up definitely was a disadvantage of doing business in the Yukon. *"The geographic segregation sometimes means you don't have a lot of choice when it comes to suppliers"*.

Small market /population - (259) Many home-based business owners felt that the small customer base in the Yukon was a disadvantage as well. Obviously, the smaller the population the less opportunity for growth. Others felt that due to limited number of local suppliers, the price and variety of products and services are not what would be available in a larger jurisdiction. Also, a number of respondents noted that due to the confidential nature of their line of work, they found it difficult because they were often running into their clients around town or in social situations. *"The size of the population gives me a pretty limited market"*; *"I have to work with the same people all the time in the same field and there rarely is a new client or business with the need for us"*.

The Yukon is expensive - (189) Again, many comments in this category identified high energy costs as being a disadvantage for Yukon businesses. Higher utilities, telecommunications and staffing costs were included as well. *"High cost of energy, high costs of labour and competing with Government of Canada/ Yukon wages"*; *"Everything costs so much. It's cheaper to buy down south and truck it up than to buy locally"*.

The government creates disadvantages - (124) Most of these comments dealt with too much regulation by government and lack of understanding or compassion by the bureaucracy. There were also comments regarding the lack of government support for small business. Environmentalists had too much influence on the government policies. *"The present negative climate, the regulations for our water licence is extremely difficult"*; *"They are trying to make a park out of the Yukon. They do not want businesses to be producers, it is over-regulated"*.

Slow economy - (111) Most respondents with comments in this category felt the economy as a whole was in rough shape. Some stated that they either had or planned to go outside the territory to find work. Others stated the government was not doing enough to revive the economy. *"There is no economy, we need to rely less on tourists and more on ourselves"*.

No disadvantages - (108) Most comments in this category simply stated that there were no disadvantages to doing business in the Yukon. *"There are not a lot of disadvantages here...the market is just a little bit small"*.

Climate and seasonal work - (87) Again, most of these comments dealt with short construction and tourist seasons. A number of businesses shut down with freeze up which is obviously much earlier than a lot of other jurisdictions in Canada. *"It stays colder longer so we have a shorter season. People down in British Columbia work 12 months a year"*.

There were many comments from business owners that they were not aware of how to access the Yukon Bureau of Statistics information. The Bureau of Statistics publish a variety of reports on a monthly, quarterly, semi-annual, annual and one-time only basis. Below is a summary of these publications.

MONTHLY REPORTS

Consumer Price Index Report
Yukon Fuel Survey

Yukon Retail Sales Report
Monthly Statistical Review

Yukon Employment Report

QUARTERLY REPORTS

Yukon Rent Survey

Yukon Real Estate Survey

Yukon Crime Report

SEMI-ANNUAL REPORTS

Yukon Population Report (June and December)

ANNUAL REPORTS

Annual Statistical Review
Household Spending Report
RRSP Contributions
Yukon Alcohol Sales
Yukon Income Statistics

Crime in the Yukon
Population Projections
Economic Accounts
Wages and Salaries
Public School Enrollment

Yukon Migration Patterns
Energy Facts
GDP by Industry
Yukon Business Survey

There are also a number of one-time only publications on a variety of topics, including a number of publications from the 2001 Census .

These publications are available for free in print form. To request to be added to our mailing list or if you have any information requests, please call **667-5640**, or email **ybsinfo@gov.yk.ca**.

All these publications are also available on our website at the following address,

www.gov.yk.ca/depts/eco/stats/index.html

